

## Message Text

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60

ACTION ARA-20

INFO OCT-01 ISO-00 AGR-20 SWF-02 AID-20 STR-08 COME-00

EB-11 DRC-01 FEA-02 SP-03 NSC-07 RSC-01 CIEP-03

TRSE-00 SS-20 OMB-01 CEA-02 CIAE-00 FRB-03 INR-11

NSAE-00 XMB-07 OPIC-12 LAB-06 SIL-01 INT-08 GSA-02

DODE-00 PA-04 USIA-15 PRS-01 L-03 H-03 /198 W

----- 124769

R 071558Z AUG 74

FM AMEMBASSY SANTIAGO

TO SECSTATE WASHDC 9713

LIMITED OFFICIAL USE SANTIAGO 4687

E.O. 11652: N/A

TAGS: ETRD, CI

SUBJECT: INVENTORY OF CHILE TRADE PROBLEMS

REF: A) STATE 165812; B) SANTIAGO 4641

1. EMBASSY HAS FOLLOWING COMMENTS ON REF A:

A. PRINCIPAL CHILEAN TRADE PROBLEMS WITH US IS  
ENSURING ADEQUATE SUPPLIES OF US FERROUS SCRAP.

B. ENSURING ADEQUATE SUPPLY OF ALPHA CELLULOSE IS  
MUCH LESS SIGNIFICANT IN MACROECONOMIC TERMS AND IN  
LENGTH OF TIME PROBLEM LIKELY TO CONTINUE.

C. PROPOSED MODIFICATION OF US REGULATIONS GOVERNING  
BOTTLE SIZES AND FILL STANDARDS FOR WINE WILL NOT CAUSE CHILE  
SIGNIFICANT PROBLEM ACCORDING TO GOC AND WINE EXPORTERS.

D. IT IS FAR FROM CLEAR THAT GOC SUPPORTS UNILATERAL  
PRODUCER EFFORTS IN CIPEC TO ESTABLISH PRODUCER CARTEL FOR  
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COPPER. FORMER MIN MINES GAVE THIS IMPRESSION, BUT

EMBASSY BELIEVES IMPORTANT FORCES IN GOC ARE OPPOSED TO IDEA.

E. CHRONIC UNFAVORABLE TRADE BALANCES WITH ARGENTINA, BRAZIL, ANDEAN GROUP AND MEXICO ARE NOT CURRENTLY REGARDED BY GOC AS PROBLEMS.

F. EMBASSY AGREES THAT SUPPLY OF REASONABLY PRICED PETROLEUM CONTINUES TO BE A MAJOR CONCERN OF GOC. SAME IS TRUE OF CERTAIN FOODSTUFFS (PARTICULARLY WHEAT) AND CHEMICAL SUPPLIES.

2. RECOMMEND DEPARTMENT CONSIDER INCLUDING FOLLOWING IN INVENTORY:

A. CHILEAN/MEXICAN RELATIONS WHICH ADVERSELY AFFECT TRADE, ESPECIALLY SALES OF MEXICAN FERTILIZER TO CHILE.

B. POLITICAL CONSIDERATIONS IN EUROPE WHICH ADVERSELY AFFECT CHILE'S ABILITY TO OBTAIN CREDIT AND MAKE PURCHASES, ESPECIALLY MILITARY EQUIPMENT PURCHASES.

C. TREAT PRESENTED TO CHILEAN TRADE WITH EUROPE BY BOYCOTT OF CHILEAN CARGOES BY ITF AFFILIATES (REF B).  
POPPER

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** INVENTORY DATA, TRADE COMPLAINTS, TRADE CONTROLS, FOREIGN POLICY POSITION  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 07 AUG 1974  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** cunninfx  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
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**Drafter:** n/a  
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**Executive Order:** N/A  
**Errors:** N/A  
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**Office:** ACTION ARA  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
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**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** A) STATE 165812; B) SANTIAGO 4641  
**Review Action:** RELEASED, APPROVED  
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**Review Content Flags:**  
**Review Date:** 10 SEP 2002  
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**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** INVENTORY OF CHILE TRADE PROBLEMS  
**TAGS:** ETRD, CI, US, XM  
**To:** STATE  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005